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Central Intelligence Agency



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Directorate of Intelligence

02 February 1984

NIGERIA: Six-month Outlook for the Buhari Government

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Summary

Nigeria's military seized power last December promising to tackle corruption and government inefficiency, to revitalize the economy, and to punish former officials. But, after a month in office, Head of State General Buhari appears unsure of how to begin tackling Nigeria's economic and political problems. His government of senior military officers already has encountered some criticism from the junior military and the press that it is ill-equipped to handle the country's woes and that it is little more than a continuation of the northern-dominated civilian regime of former President Shagari.

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Preoccupation with domestic matters is likely to preclude Buhari from radically changing Nigeria's generally moderate foreign policies. But in order to draw a distinction between itself and the pro-Western Shagari regime, the military

This memorandum was prepared by [redacted] West Africa Branch, Africa Division, Office of African and Latin American Analysis. It has been coordinated with the Directorate of Operations. Information as of 27 January 1984 has been used in the preparation of this paper. Questions and comments are welcome and may be directed to the Chief, Africa Division, [redacted]

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government is likely to be more genuinely nonaligned, stridently nationalistic, and critical of US policy in southern Africa. Nevertheless, Lagos will continue to look to Washington for economic help, assistance in meeting food needs, and intercession with the IMF, which is urging such tough austerity measures as devaluation. []

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Prospects for an economic turnaround are poor, mainly because of the present soft world oil market. Despite the regime's promises to honor Nigeria's international financial obligations and take necessary steps to revive the country's economy --perhaps including devaluation-- we have serious doubts that the military will prove more effective than its civilian predecessors in stemming the economic decline. At best, we believe the military will be forced to preside over the implementation of austerity measures drawn up during the Shagari administration, which will worsen living conditions in the short run. At worst, the government could embark on a more populist course, refuse to undertake IMF required austerity programs, allow arrearages to accumulate, and blame the West for Nigeria's economic woes. As a last resort, the military government could even break ranks with OPEC by unilaterally cutting oil prices--a move that would work to Nigeria's disadvantage by provoking retaliatory price cuts by other OPEC members. []

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Whatever approach the government pursues, we expect increased grumbling and plotting within the military that will make a counter coup a growing possibility during the near term. Every successful coup in Nigeria has been followed within six months by an attempted counter coup, and we think Buhari may have even less grace time. In our judgment, the greatest threat comes from middle and junior grade officers who favor harsher steps against former civilian politicians and more "radical" measures to revive Nigeria's economy. We believe that a coup by these officers would probably be violent, and would usher in a prolonged period of political and economic instability whether successful or not. []

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A government headed by such a group would be apt to seek public support by making difficult-to-fulfill populist promises, executing former top civilian and military officials, scraping austerity measures and restrictions on oil production, and blaming foreign scapegoats --mainly the United States and the United Kingdom-- for Nigeria's woes. The regime would prove more difficult for the West to deal with, bring further instability, and possibly offer Tripoli and Moscow some opportunities to develop closer relations and to meddle. []

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Introduction

This memorandum assesses the outlook for Nigeria's new military government over its first six months in power. Nigeria's fourth successful coup since 1966 was engineered by senior officers (brigadiers and major generals) who had been appointed to command positions because of their supposed loyalty to former President Shagari's civilian government. In our judgment, the coup leaders acted in part to preempt a takeover by more impatient and less conservative middle grade and junior officers, as evidenced by the regime's preoccupation with justifying the coup to lower ranking military personnel. We also believe that although the coup was well executed, senior officers seized power without fully understanding the seriousness of Nigeria's economic problems. In our view they lacked a clear plan of action beyond a desire to end corruption and administrative chaos, revive the economy, and restore Nigeria's international prestige. [REDACTED]

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Nigeria's new leaders have drawn heavily on their experiences in the last military government (1975-1979) in structuring and staffing the government. Early appointments indicate the military will rely heavily on senior civil servants to provide continuity and administrative expertise for the ruling 19-man Supreme Military Council. In addition, the Federal Executive Council --a cabinet of 11 civilian and seven military members-- is responsible for the day-to-day running of the government. [REDACTED]

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Military Uncertainties

In our judgment, the stability and cohesion of the military government over the next few months depends on the ability of Head of State Buhari to solidify support among lower ranking military personnel as well as among fellow senior officers. Military discipline and authority appear to have withstood the immediate aftermath of the coup, but we believe that Nigeria's 100,000-man Army is likely to become increasingly politicized and factionalized as a consequence of its renewed involvement in running the country. The extensive shuffling of command assignments, the retirement of many senior officers, and the promotion of more junior officers to key line and staff positions, in our judgment, will give rise to personal grievances and rivalries, heighten ethnic tensions within the officer corps, and increase coup plotting. [REDACTED]

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Unless the Buhari government is able quickly to make a better showing than the Shagari regime, we expect that it will soon be threatened

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-- The US Consulate in northern Nigeria has heard from a number of sources of complaints within the Army's middle ranks over government slowness in getting the administration going, rooting out corruption, and controlling prices.

-- [redacted] some field grade officers are grumbling over their failure to receive government posts.

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[redacted]

With the elevation of senior officers to the ruling council and the retirement of others, middle grade officers have moved up to key brigade commands and headquarter staff positions. The US Defense Attache believes these positions could give middle grade officers command of the military resources needed to control events. [redacted]

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We believe lower ranking officers will see Buhari's handling of corrupt former civilian leaders and allegations of past corruption under Shagari against some of the new regime's senior military members as a litmus test of the government's resolve in carrying out reforms. Failure of the government to take harsh punitive action, in our view, will contribute to the impression that senior officers moved to prevent, rather than implement, political changes and that they are more concerned with preserving the status quo and covering up their own corruption under civilian rule. Only 10 days after the coup, Buhari was forced to replace one of his appointed state military governors following press revelations of his corrupt past. [redacted]

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Popular and military support for the Buhari government is likely to be further undermined by continuing economic hard times. The government can expect to win little domestic popularity by imposing tough austerity measures to secure IMF assistance and to ensure access to large syndicated bank loans--moves that will worsen living standards in the short run. 


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Although Buhari increasingly recognizes that continued delay in facing economic reality will only worsen conditions and make inevitable adjustment all the more painful, the government still has not clearly signaled policy directions or announced specific recovery plans. The US Embassy reports Buhari is particularly hedging his bets over the key issue of IMF-mandated devaluation, which he fears would heighten inflation and increase the shortage of essential imports. 

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Nevertheless, in the absence of an unlikely surge in world demand for Nigerian oil, Buhari will have little choice but to continue some of Shagari's tough economic policies, at least initially. As a consequence, we expect that Buhari will at least attempt to reach agreement with the IMF, reschedule short term arrearages, continue import restrictions, and perhaps negotiate a new payments schedule for medium- and long-term debt obligations. The Nigerian press speculates that, in an attempt to increase revenues, Lagos soon will ask OPEC's approval for increased production. We expect that the organization will not go along with such a request, believing that such a move would prompt others --such as Venezuela and Iran-- to follow suit and put renewed downward pressure on oil prices. In the absence of official approval, we believe Lagos probably will attempt to circumvent its OPEC quota of 1.3 million barrels per day by quietly allowing production to creep up to about 1.5 million barrels per day and see how other OPEC members and the international market react. 

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We believe negotiations with the IMF will prove difficult and protracted. Even if an agreement is reached, we believe the government will find it difficult to resist short-term political benefits that could accrue from watering down or scrapping certain austerity measures. Furthermore, like its historical predecessors, we believe this military government will be unable to make rapid and significant improvements in

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government efficiency and responsiveness or stem endemic corruption--major contributing causes of the country's chronic economic morass. []

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Foreign Policy

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On balance, we expect the Buhari government's preoccupation with domestic matters will deter it from embarking on new foreign policy initiatives or dramatically altering the substance of Nigeria's generally moderate policies. Nevertheless, we expect the tone of the military's foreign policy --particularly on important issues such as southern Africa, the OAU, and Chad-- to be more assertive, stridently nationalistic, and more visibly nonaligned than that of the conservative, cautious, and inward-looking Shagari government.

-- Nigeria's new UN representative, retired General Garba --who served as foreign minister under the activist Obasanjo military regime-- is favorably disposed toward the West but is also an outspoken hardliner on southern African issues according to the US Embassy.

-- Our Embassy reports that the country's new foreign minister, Dr. Ibrahim Gambari, has spoken wistfully of the regime's need for a foreign policy "triumph" --analogous to Nigeria's recognition in 1975 of Angola's MPLA government-- to enhance its domestic standing.

These two views on foreign policy suggest to us that there may be some potential on Lagos' part for unpredictable behavior detrimental to US interests. []

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We believe Buhari will continue to ask the United States for economic assistance, help in meeting food needs, and intercession with the IMF. A rapid worsening of economic conditions, coupled with an inability to reach agreement with the IMF and international banks, could tempt Buhari to lash out at the "lack" of US help and at Washington's policy on southern Africa. We believe, however, that Buhari will stop short of an open economic rupture with the United States or the West. In any case, foreign policy posturing would deflect domestic criticism for only a short time and is unlikely by itself to deter coup plotting within the military. []

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Early Tests for Buhari

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In our judgment, Buhari will have to try to take more decisive steps to counter a growing impression of governmental drift. Otherwise, the public perception will grow that Nigeria's economic and political problems have reached such magnitude as to defy the regime's ability to solve them. Moreover, popular support will be short lived if signs mount that Buhari and his fellow officers do not represent a clean break with the past. []

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In our judgment, the delay in naming a cabinet and outlining policies reflects the government's difficulty in finding capable civilians willing to serve in the new government as well as likely differences of opinion and jockeying for position among key senior officers. Furthermore, the US Embassy reports that most civilian members of the new cabinet appear ill-suited by background and experience to their assignment. []

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We expect the government to be faced with growing criticism that it --like its predecessor-- is too dominated by northerners. While the new regime has tried to ensure a relatively representative balance among major ethnic groups, regions, and military services in making high level appointments, senior officers of northern, Muslim Hausa-Fulani origin appear to dominate the Supreme Military Council and top Army positions. So far, we are not aware of any incipient polarization of Nigerian attitudes toward political and economic issues along strictly regional lines, a condition prevalent throughout the early 1960s that led to secession and civil war (1967-70). If this recurred, however, it could fuel an anti-northern coup attempt by southerners and minority tribal officers. If the government hopes to keep regional tensions from bubbling over, we believe it must shuffle some of its appointees --on the ruling council as well as cabinet ministers and state military governors-- in an attempt to find a more "acceptable" ethnic and regional mix. []

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Public disenchantment with the regime is unlikely to spark widespread, violent protests in the short run, but we believe unrest is likely to increase if it becomes more evident that the government is unable to meet the expectations generated by the coup. The US Consulate in Kaduna reports that the regime already has been faced with a protest by northern textile workers demanding that the government honor its post coup pledge to expedite the payment of salary arrears. []

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We expect that the new government will find especially troublesome the issue of how severely to deal with former civilian officials-- including former President Shagari. Although the government has arrested hundreds of civilian officials and promised to hold them accountable for malfeasance and economic sabotage, we believe senior officers would prefer to avoid fostering a political climate of vengeance and retribution in which they themselves could become entangled. Public trials --and any subsequent executions-- almost certainly would heighten ethnic tensions, produce charges that certain groups were being singled out, do little to improve administrative effectiveness, and deflect resources from more pressing economic matters. Nevertheless, Buhari in the end may feel no choice but to bow to public pressures and junior military demands for harsher retribution, especially as the economy continues to slide. []

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Future Coup Scenarios

In our judgment, the possibility of an attempted countercoup will remain high for the near term. Every successful coup in Nigeria has been followed within six months by an attempted countercoup, and we think Buhari may have even less grace time. Nigeria's economic crisis will compound Buhari's political vulnerability. We foresee little likelihood that the government's new economic team will quickly devise a comprehensive plan of action. We expect that negotiations with Nigeria's creditors and the IMF will be drawn out until the regime's economic advisers gain a clearer understanding of the depth of the economic crisis, and as Buhari attempts to strike a better deal than Shagari could. As a consequence, we believe Buhari soon will find his government subject to criticism for drift and indecision that will enhance the potential for a coup. []

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Countercoup by Middle and Junior Grade Officers. In our judgment, a countercoup is most likely to come from the level of middle and junior grade officers--lieutenant colonels and lower-- groups about which we know little. We believe that Buhari, despite his leadership strengths, will have difficulty balancing the more conservative and cautious instincts of his fellow senior officers with demands from frustrated middle and junior grade officers for more far reaching retribution and reform. A coup by such younger and less conservative officers, whether led by radical northerners or by southerners and minority tribesmen frustrated with northern domination, probably would target senior officers for assassination and be bloody. []

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We believe that a coup by middle and junior grade officers -- depending on how radical and narrowly ethnic its coloration may be-- has the potential to increase ethnic and economic turmoil. In our view, middle and junior grade officers would take power with no precise policies beyond a strong feeling that change requires a sweeping and violent "cleansing" of the armed forces and public life. The aim would be to improve the quality of political and economic life for Nigeria's less privileged groups by trying to reduce corruption, impose government accountability, lower prices, and severely punishing former civilian and military officials. Such a government would also be apt to seek public support by scrapping austerity measures and restrictions on oil production and by blaming foreign scapegoats --mainly the United States and the United Kingdom-- for Nigeria's woes. []

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Palace Coup by Senior Officers. Buhari could be ousted by fellow senior officers on the ruling military council if a power struggle develops or if it appears that he cannot garner wider support among middle and junior grade military officers and the population at large. The danger of a palace coup will increase if top military leaders believe that plotting by middle and junior grade officers has reached a serious

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stage. In our judgment, a new senior-level coup would be led by a key officer, such as Chief of Army Staff Babangida, who probably would espouse more reformist-populist policies than Buhari in a last-ditch effort to appeal to lower ranking military personnel. Such a palace coup would represent a holding action, however, and we doubt that its leaders could stay in power for long because Nigeria's underlying economic and political problems would remain unresolved. []

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Outlook and Implications for the US

At present, we are not aware that any major group in Nigeria -- military, ethnic, political, or religious-- is advocating the sort of revolutionary change that would undermine the country's legacy of federalism, a free market economy, and nonalignment. Nor in our view, do the Libyans or Soviets have many new opportunities for meddling so long as the Buhari government continues in power. US Embassy reporting indicates that Tripoli has scarcely acknowledged the latest change of government in Lagos. To date, government vigilance and Nigeria's size and diversity have prevented Tripoli from gaining much influence, despite some funding for local Islamic organizations and recruitment of Nigerians for subversive training in Libya. []

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The US Embassy in Moscow notes that while the Soviet media is giving increasingly favorable coverage to Buhari's takeover, this probably is intended mainly to avoid jeopardizing Soviet-Nigerian economic relations. US Embassy reporting indicates that the Soviets in recent years, while continuing undercover ties with some leftist Nigerian labor and student groups, have emphasized outwardly correct relations with whatever Nigerian government is in charge in the interest of developing trade for hard currency earnings. We believe that the Soviets recognize that the litmus test of Nigerian-Soviet relations will continue for the foreseeable future to depend on successful completion of the long overdue \$4 billion Ajaokuta steel plant in which 6,000 Soviet technicians are involved. []

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In our judgment, however, another coup may bring Nigeria closer to a Ghana-like collapse into tribalism, radicalization, and further instability. We believe such a development would make the country more difficult for the West to work with and create opportunities for Tripoli and Moscow. Nigeria's regional and tribal rivalries are potentially exploitable, but we expect no central Nigerian government will tolerate blatant Libyan or Soviet meddling. Moreover, in our view, neither Tripoli nor Moscow is willing or has the wherewithal to assist Nigeria in solving its economic problems and Nigeria has little need for arms aid from Libya or the USSR. []

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Nevertheless, we believe the Libyans and Soviets can offer moral support, radical doctrine to emulate, and an alternative source of advice

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to an impressionable government of younger officers. In our judgment, both Libya and the USSR would like to see a radical regime come to power in Nigeria that could be encouraged to side with Africa's progressive states in the OAU on such issues as Chad and in other international forums. We also believe that northern Nigeria's large Muslim population is an attractive target for the Libyans, who doubtless hope that domestic chaos would reduce Nigerian effectiveness in playing a moderate and constructive role on the African scene and afford Tripoli a freer hand to meddle in the region. []

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